

Washington, DC - Congressman John Adler sent the following letter to President Obama urging the White House auto task force to increase transparency around the widespread closing of General Motors and Chrysler dealerships. In addition, Adler wrote that closings should be based on profit and sustainability. A free market naturally eliminates underperforming entities in a fair and equitable manner. The entire text of the letter to President Obama follows:

Dear President Obama:

I am writing to express my concern about General Motors' and Chrysler's decision in coordination with the White House auto task force, to close profitable automobile dealerships across the country, and especially in New Jersey's 3rd Congressional District.

During this economic downturn, it is in America's best interest to maintain competitive, profitable businesses. Last September, the financial industries collapse caused our credit markets to seize up and sharply decreased American consumers' economic activity. The sharp decrease in demand negatively impacted our automobile industry, in particular General Motors' (GM) and Chrysler.

The White House auto task force wants GM to close 2,600 of its 6,000 dealerships by 2010. Chrysler told nearly 800 dealerships that they have less than a month to close. The closures could affect 100,000 workers across the country. There needs to be more transparency surrounding the criteria being used to determine which dealerships should be closed. In my opinion, the market should make these decisions rather than the Manufacturers. A free market naturally eliminates underperforming entities in a fair and equitable manner.

America needs a competitive auto industry to compete internationally and to sustain a strong manufacturing base here at home. I recognize that efforts by your Auto Task Force prevented the total liquidation of GM and Chrysler, as well as their dealership networks. However, the employees and customers of the three Chrysler dealerships closing in my district deserve to know why their businesses were chosen. I strongly urge greater transparency from your Administration regarding the process of choosing specific, sometimes profitable, dealerships to close. Our economy needs the most competitive businesses in operation to spur our economic recovery.

Monday, 15 June 2009 16:23

I look forward to your timely response.

Sincerely,
John Adler